VOCATIONAL EDUCATION STATUS REPORT
2003 UPDATE

Executive Summary

prepared for the
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by

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The *Vocational Education Status Report 2003 Update*, commissioned by the Alaska Workforce Investment Board (AWIB), constitutes a one-year snapshot of vocational education in Alaska that seeks to capture facts about current programs and institutions and to compare today's system with that described in the original 1997 status report.

The report is organized into four sections. Section I looks at the current environment in which vocational education programs operate and describes how this environment has evolved over the past six years. Section II provides the most recent data on several programmatic dimensions and makes comparisons where possible with 1997. Section III uses trends to make some predictions about the future of vocational education in Alaska. Section IV provides several recommendations to state policy makers.

Section I: Today's Landscape

The 2003 snapshot is of an almost totally different landscape than that of the 1997 report—a landscape shaped by increased emphasis on program quality, accountability, consolidation and collaboration.

Quality and Standards

Two major pieces of federal legislation—the reauthorized Carl Perkins Act (Perkins III) and the Workforce Investment Act (WIA)—passed since 1997 require vocational training and workforce development program to set and meet rigorous academic and skill standards. At the state level, content standards have been developed and adopted in all secondary subject areas, including vocational education. The recently-passed No Child Left Behind (NCLB) extends the standards movement with its "highly-qualified teachers" mandate.

Without a doubt, the standards movement has brought increased organization and rigor to vocational programs. But the increased emphasis on academic subjects appears to be diverting students from vocational course offerings.

Accountability and Performance Measures

Accountability is the natural outgrowth of the standards movement. Both Perkins III and WIA require greater accountability for training program outcomes and mandate state data collection and reporting on specific indicators. NCLB applies similar requirements to the entire K-12 system. At the state level, the Alaska High School Graduation Qualifying Exam (HSGQE) is the ultimate performance measure—determining who receives a high school diploma.

Preparing students for "high stakes" exams such as the HSGQE and the NCLB testing is forcing school districts to direct more resources to those academic areas measured by the tests. In some districts, this is draining resources from vocational programs, despite the fact that vocational programs can provide a high degree of academic as well as technical learning.

Consolidation and Coordination

A third feature of the national and state landscape is the movement toward consolidation and coordination of programs and funding. WIA incorporates a variety of earlier programs under a single umbrella. At the state level, most programs related to workforce development have been consolidated into the Department of Labor and Workforce Development (DLWd). A major revision of the public school funding formula consolidated support for four

separate programs (vocational, bilingual, gifted and talented and special education) into a "special needs and intensive services" block allocation.

While program consolidation brings with it many benefits, funding consolidation can have negative consequences. In the case of vocational education, there is some evidence that expenditures have declined because it must now compete with other areas—such as special education—for funding.

Cooperation and Collaboration

A final movement shaping the contours of the vocational education landscape is the opportunities for increased cooperation and collaboration among programs and agencies.

Nationally, WIA requires increased and much more substantial cooperation between government agencies and business and industry partners. At the state level, there are signs of strong collaborative efforts between the public and private sectors, training providers and educational institutions. Examples include various career consortia, the University of Alaska Corporate Programs, the Alaska Native Coalition on Employment and Training (ANCET), the Vocational Technical Education Providers (VTEP), and the Denali Commission. The many Tech Prep agreements that exist between school districts and various UA campuses also exemplify this trend. Finally, the increased use of distance delivery for vocational programs indicates increased institutional collaboration.

Section II: Different Landscape, Different Results?

If the landscape of today differs so radically from that of 1997, what can be said of the results? Unfortunately, differences in the way that data are collected makes comparisons between the two time periods difficult in many cases and impossible in others. For example, both the Alaska Department of Education and Early Development and the University of Alaska system have changed the way they report enrollments. Expenditure information from districts is no longer available because of changes in the funding formula. Information on program outcomes—in terms of employment and wages of completers—which was spotty in 1997 is much improved today. Within these constraints, the report provides information about program coverage, enrollments, expenditures and outcomes.

Program Coverage

Overall geographic coverage of training programs continues to be good and has improved over the 1997 situation with the development of several new training centers and the increased programming offered by the University of Alaska community campuses. These developments have brought training opportunities to rural Alaska that did not exist earlier, but most training continues to be located in urban centers that provide greater economies of scale.

Participation

Secondary enrollments appear to be declining with current (duplicated) enrollment down about 5 percent from the 1995-96 school year. In 1998-99, about 58 percent of all high school students took some vocational education but only 56 percent do so today. This figure could be as low a 45 percent if certain adjustments are made to correct data errors.

Female participation in secondary programs continues to lag behind that of males. Alaska Native participation in vocational education programs makes up about one fourth of the total participation, down from over one-third in 1997. Perkins III greatly diminished the earlier focus on special populations; as a result, participation of

special populations as a percentage of total participation has declined over the two status reports.

At the postsecondary level, UA enrollment in vocational certificate and degree programs enrollment has increased by about 20 percent since 1997, in large part because of a renewed commitment by the system to its community college mission. Particularly impressive enrollment gains have been made in the following areas: Education and Training, Health and Science, Technology and Engineering.

An additional 8,000 Alaskans received postsecondary training through the state's vocational training centers, private training providers and apprenticeship programs during the past year.

Funding

Funding changes in the secondary, postsecondary and adult levels are one of the most prominent feature shifts during the time between the two status reports.

The 1998 change in the public school funding formula relieved districts from reporting vocational education expenditures so that comparisons with earlier years cannot be made. However, most people interviewed for this report believe that expenditures have declined. While no hard data exists to test this belief, it is clear that demands on the "special needs and intensive services" allocation from other programs is increasing. For example, special education expenditures are rising at over twice the rate of regular instruction expenditures, leaving less funding to be distributed to the other covered programs: bilingual education, gifted and talented and vocational education.

The University of Alaska does not track funding for vocational programs separately from regular instruction. However, expenditures for such programs have increased over the period as a result of earmarked workforce development funding (SB 289) for high priority program areas identified by AWIB. Some of the additional General Fund received by the university has also gone to expand vocational offerings.

The state has historically funded a large portion of operating expenditures for two technical centers: ATC at Kotzebue and AVTEC at Seward. Both have higher state budgets today than in FY97, but regular GF funding has declined for AVTEC and disappeared at ATC. Instead, funding has been increasingly shifted to other sources, such as tuition and SB 289.

The other major sources of workforce development funding—federal funding through Perkins III, WIA and the Denali Commission and state dollars under STEP—have remained constant or increased over the period. Today, Alaska has more than double the amount of adult training funds than it did in 1997.

Program Performance

The core indicator tracking system that is required for both Perkins and WIA training programs is beginning to yield useful and significant information for both program operators and state decision makers—information which was lacking in prior periods.

Performance of secondary vocational education program completers has been tracked over the past several years on academic and vocational achievement; attainment of a high school diploma; placement in postsecondary education or employment; and participation in non-traditional employment training.

Secondary programs met or exceeded the expected level of attainment in all areas except in placement and retention. Part of the explanation of this lower achievement is that many Alaskan secondary graduates go to the Lower 48 for further education or

employment and may not be listed in the data bases used for reporting purposes.

At the university level, one measure of performance is the extent to which its programs and degrees meet the economic needs of the state. In FY02 the University of Alaska conferred 1,382 degrees in high demand job areas as defined by the Alaska DLWD.

Performance of postsecondary training institutions, including tech centers, the UA system and private institutions that wish to be eligible for training dollars under WIA, is gathered and reported annually. Data over the past three reporting periods indicate a decline in the number of program exiters, but an increase in both the percentage of exiters employed one year after training and in median earnings.

Another desired outcome of vocational education is the successful transition of students from one level of education to the next. Tech Prep and other cross-institutional agreements that foster seamless articulation from secondary to postsecondary programs appear to be gaining ground.

An important goal of workforce development programs is to meet future employment needs. A review of employment projections to the year 2010 has some rather disturbing implications. According to DLWD projections, most of Alaska's future jobs will require one year or less of on the job training. Only 10.4 percent will require two years or less of vocational training. Of the ten occupations projected to have the largest numeric increases, only three—registered nurses, nursing aides and dental assistants—require postsecondary training. The situation is better when one looks at the 10 fastest growing occupations, all of which require some training and all but one of which are in the health field.

The UA system is expanding its health programs via distance education, but there is considerable need for additional training opportunities. However, expansion of opportunities in health science education is not unlimited. The largest constraint on almost all training in the health sector is finding adequate clinical and practicum locations. While this is especially true in rural Alaska, programs in urban areas, including Anchorage, are pushing the limits of available sites.

Addressing Alaska's workforce needs includes the replacement of non-resident and aging workers. A review of the occupations employing the greatest number of non-resident or older workers reveals that Alaska's training institutions currently provide training in almost all of these areas. But as a recent Commonwealth North study notes, replacement of these workers is a complicated issue that cannot be solved by training alone. According to DLWD, the three factors influencing an Alaskan's decision to seek and hold a job are earnings, year-round employment possibilities and year-to-year stability. These factors outweigh the existence of training opportunities and are influenced by the market, not by public policy.

One problem that may be rectified by policy, however, is that younger Alaskans appear to be unaware that there are more opportunities for young people than in the past. A fruitful strategy might be to increase career pathways efforts with secondary schools, such as is being done in many parts of Alaska with health industry professions.

Section III: The Landscape of the Future

The trends and results detailed in the report suggest the following scenario for the future.

The Alaska vocational education system will continue to be standards driven. This could strengthen the involvement of business and

industry both in developing the standards and measuring student achievement of these standards. However, unless vocational educators are seen as significantly raising the academic rigor of their programs, it is likely that vocational education at the secondary level will be marginalized.

Program outcomes will be increasingly subject to measurement and comparison to benchmarks, with funding decisions tied to performance. Performance-based funding will strengthen some vocational programs and will eliminate others. Some programs eliminated may be those most needed to transition people into the workforce. This could be particularly true for high school leavers who fail the graduation qualifying exam.

Those who do obtain a high school diploma will have met high standards for communication and computational skills, which should auger well for increased success in more rigorous and complex post-secondary vocational programs. However, with increase in skill levels of the potential workforce, many will find themselves underemployed in an economy where two-thirds of the jobs require little more than a year's on-the-job training.

Pressures for increasing performance on NCLB and the high school qualifying exam will consume ever more resources at the local level. Punitive aspects of non-performance may cause loss of students at low achieving schools and lifetime stigma for those students unable to clear the achievement bar.

Since both NCLB and the state's high stakes testing include students with special needs, special education expenditures will continue to rise, leaving fewer and fewer funds for vocational programs.

Demands for "highly qualified' teachers both under NCLB and potentially under a reauthorized Perkins will put additional strains on already limited vocational education staff at the school district level. Other training institutions will find it increasingly difficult to import trained vocational educators in a highly competitive environment.

This resource crunch, coupled with the drive for increased academics, could eliminate secondary vocational education programs, particularly in smaller districts.

At the adult level, consolidation of program direction and administration will continue as more programs are brought under the purview of the AWIB. This will provide more opportunities for streamlining services and realizing savings through shared staff and facilities but may also hamper flexibility of service delivery, particularly in rural Alaska

Concern for future employment needs and replacement of out-of-state workers will continue to influence workforce development. These pressures are likely to increase if the gas pipeline materializes. However, these pressures could lead to a mis-allocation of training dollars if other market forces are not taken into account.

Cooperation and collaboration among agencies and institutions will expand both as a response to declining resources at the state level and of federal initiatives. Secondary/ postsecondary articulation will become more routine under a reauthorized Perkins as secondary schools seek to develop more rigorous vocational programs. This will induce an increased demand for distance educational and distributed learning. In response to quality demands, some form of regional learning centers will emerge, perhaps as an outgrowth of the university's community campuses, perhaps as creatures of the K-12 system. In either case, there could be a quickened movement to develop a truly seamless K-14 or K-16 system. However, the issue of long-term operating support for such a system looms large.

Section IV: Do We Want to Go There?

Although many of the forces described in this report emanate from Washington, state policy makers and educators can influence how these forces play out in Alaska.

The following recommendations are offered to assist in this effort.

- The school reform and standards movement must embrace vocational education. Vocational educators know how to develop rigorous programs that can meet high academic standards. But to fulfill this promise, vocational educators need resources. The current funding system should be reviewed.

- The state should continue to press for relief from federal requirements that impose an impossible hardship on Alaska school districts.

- In order to improve and maintain program quality, the University of Alaska and the state's existing technical centers need a stable level of support.

- Performance measurement must take into account hard-to-serve populations and the problem of small samples.

- Those setting performance levels must recognize the cost of non-achievement on individuals.

- Policy makers need to preserve a level of flexibility and attention to local circumstances as they move for greater consolidation of programs.

- Any plans to develop new institutions—such as regional vocational or learning centers—should consider the long term operating needs of such centers.

- To secure the resources that it needs, vocational education must have the support of business and industry for setting standards, measuring performance and communicating the benefits of rigorous vocational education programs to the long-term economic health of Alaska.

- Increased use of distance education methodologies in delivering high-quality vocational education should be encouraged. But policy makers should recognize and fund the costs of such programs.